

Bosnia: Preparatory works for unit 7 at TPP Tuzla to start next year

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Date : September 27, 2017

Director of Bosnian power utility EPBiH Bajazit Jasarevic said that the procedures related to the construction of unit 7 at thermal power plant Tuzla are nearing completion, and the works that precede the construction of this facility could start in five to six months.

Jasarevic confirmed that EPBiH, with the help of Federal Government, has completed negotiations with the Development Bank of China regarding the financing of the project, adding that the final draft of the agreement has to be approved by EPBiH's Supervisory Board, while the decision on providing loan guarantees has to be approved by the Government and the Parliament, which is expected to happen in the second half of the month. The final agreement should be signed by the end of October.

In parallel, EPBiH has been preparing a tender for preparatory earthwork at the site of the future unit 7, worth about 7.5 million euros, which should be completed in five to six months after which the realization of this important energy project could begin.

The net agreed price under the EPC contract for the construction of unit 7 at TPP Tuzla is 722.35 million euros (without VAT). In talks with the representatives of the Chinese Exim Bank it was agreed that the maturity of the loan is 20 years, with a 5-years grace period. The loan from Exim Bank will cover 85 % of the investment, while the remaining 15 % will be provided from EPBiH's own funds.

TPP Tuzla has 6 units with overall output of 715 MW. New unit 7 will be replacement capacity for units 1 and 2 (32 MW each), which have already been shut down and units 3 (100 MW) and 4 (200 MW) which should be put out of operation in 2018. The future unit 7 will have 450 MW of electric output combined with 300 MW of heat output, with annual generation of 2.75 TWh. When unit 7 is completed, it will provide almost a quarter of electricity produced by EPBiH.